

**Improving market institutions and urban food supplies for
the urban poor: a comparative study of Nigeria and
Zambia: scoping phase.**

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SCOPING REVIEW INCEPTION REPORT TO DFID

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EXECUTIVE SUMMARY

To make markets work for the poor requires greater understanding of existing market systems. The research problem addressed in this scoping project is the lack of specific knowledge and understanding of formal and informal market institutions in urban Africa and their impact on urban food systems. It examines the systems which govern the marketing opportunities for informal urban and peri-urban cultivators, and for rural producers, in our two study countries, Nigeria and Zambia and it explores the mechanisms of marketing food in urban areas

There is a wide range of highly complex formal and informal institutions that shape Africa's food marketing systems: different types of associations and self imposed rules, in addition to national legal systems that affect how trade is done. Our literature review illustrates how little is known about how these formal and informal regulatory systems currently operate. For example, the positive contribution of both urban-based and rural-based traders in providing an essential service to urban consumers has not been adequately analysed. We need this information if we are to improve access by producers to suitable markets and thus enhance urban food supplies, and also secure income and livelihoods.

Our research programme included interviews with key policy makers, practitioners and academics in Lusaka and Abuja, followed by pilot field studies (in Jos, Nigeria and Lusaka, Zambia) and stakeholder workshops in Lusaka and Abuja. Both field studies focussed principally on one commodity, vegetables. This was selected because of our prior research experience in the commodity and its potentially valuable contribution to urban diets. The comparative approach was extremely valuable because each study country helped illuminate features of the other.

The Jos field pilot provided important pointers for a larger study: it emphasised that marketing bottlenecks are commonly location and commodity specific; that transport bottlenecks are pervasive; that commission agents will continue to play an essential role in marketing until/unless alternative means of providing timely credit and inputs are available; that market interactions can both create and resolve conflict; that governance issues (insecurity, corruption, rent seeking, etc.) are a pervasive theme and encompass misdemeanours in both private and public sectors; and that poor urban and rural consumers have little voice in shaping and regulating the market environment.

The Lusaka pilot was similarly illuminating: it showed how very poor rural roads combined with very low population densities can prevent a majority of rural smallholders from benefiting from food trading; that there are vast geographical gaps in coverage of the country by private traders following liberalisation of food (maize) trading; that current policies and programmes aimed at helping smallholder food trading are almost exclusively focussed on the line-of-rail and some other very restricted geographical areas where access is cheapest; that trading agents in wholesale markets play an important role in provision of credit and security but may also constrain market access and contribute risk; that party political involvement and levies in urban market places have a significant control on the functioning of and access to urban markets; and that the nutrition of the urban poor is a serious and

increasing problem, due mainly to lack of purchasing power rather than lack of available food.

The scoping study has enabled us to confirm that there will be extensive support for a full programme of research from a wide range of governmental agencies, practitioners, academics and the private sector in each country. We have been able to identify, with them, key issues where there is a severe lack of empirical evidence and country-wide studies are urgently needed to feed into ongoing programmes supported by DFID and other donor organisations. It has also allowed us to select appropriate locations for further research and identify appropriate members for a Consultative Group which can advise, support and aid an ongoing dissemination programme in that larger study.

1. OBJECTIVES OF THE PROJECT

To make markets work for the poor requires greater understanding of existing market systems. The research problem addressed in this project is the lack of specific knowledge and understanding of formal and informal market institutions in urban Africa and their impact on urban food systems. In particular this project examines the systems which govern the marketing opportunities for informal urban and peri-urban cultivators (a widespread activity for the urban poor.) Our study also encompasses reference to rurally produced food and the mechanisms of marketing this in urban areas.

Our focus is thus on the mechanics of urban food supply systems and the role of urban markets in regulation of the agricultural produce trade. In this scoping project in Nigeria and Zambia we have made a preliminary exploration of the linkages between producers (urban, peri-urban and rural), traders and urban consumers in two case-study urban regions, paying particular attention to the functioning of formal and informal market institutions. We take institutions to be “‘rules of the game’ defining the incentives and sanctions affecting people’s behaviour” (Dorward et al. 2003:323), and recognise that they are deeply embedded in social and political practices.

Despite rapid urbanisation and increasing levels of urban poverty, urban food systems are rarely adequately considered in African development studies (Drakakis-Smith, 1990; Smith 1998). While the role of urban agriculture in providing food for urban people has increased very significantly since the 1980s, the main thrust of the research is either on its contribution to the urban household's livelihoods in terms of self-provisioning and the generation of some possible sales income, or on its impact on the urban physical environment (eg see Bowyer-Bower and Smith 1997). Other work on urban livelihoods has also generally failed to generate such studies on the role of urban food markets, although that work abounds with analysis of the impact on livelihoods of increases in the cost of basic foods under structural adjustment. The parameters of urban food supplies and urban demand have altered very significantly since the advent of structural adjustment in most African countries and this has rendered many previous understandings of the systems much less relevant today. Moreover, as Dorward et al (2003) point out, despite the prioritisation of a sustainable livelihoods approach by DFID in recent years, this has encompassed remarkably little consideration of the role of markets and market institutions in livelihood development and poverty reduction.

There is a wide range of highly complex formal and informal institutions that shape Africa's food marketing systems: different types of associations and self imposed rules, in addition to national legal systems that affect how trade is done. We need to know more about how these formal and informal regulatory systems operate, if we are to improve access by all producers to suitable markets and thus enhance urban food supplies, and also secure income and livelihoods.

There is a particular need for knowledge about how food marketing systems operate in order to assist and support the growing number of urban and peri-urban food producers and producer-marketers now in existence, who commonly wish to access established urban food market systems. While there have been many useful studies of urban and peri-urban agriculture over the last decade, marketing issues have tended to

receive little attention.

Forms of regulation shaping the marketing system may include access to transport and lorry parks, access to selling spaces in markets, the finance that traders can source and political, customary, or legal constraints. There are many positive aspects to this regulation, in that it often supports financing and relatively efficient distribution of foodstuffs to the urban poor. But there are likely to be ways in which regulation could be improved to facilitate broader levels of access for poor producers and producer-traders and more efficient (and cheaper) marketing and distribution which would benefit urban consumers.

The ability to trade in food requires access to credit, information on prices and supplies (which may not be available), while bargaining processes may be restricted by lack of standard weights and measures and also access to other aspects of the marketing process. Our study has aimed to make a preliminary exploration of some of the factors that allow access and the factors that exclude access in our case study locations, and the implications these may have for urban poverty, the security of urban livelihoods, and the security of urban food supply. The potential for improving price information and bargaining procedures for both large and small scale urban producers and traders is also considered.

Traders are often accused by politicians and the media of operating cartels, but anecdotal evidence and our own previous field experience in Africa (Porter 1994, 1995, 1998, 2001; Lyon 1999, 2000, 2001) suggests that although monopolistic control can be exerted, it tends to be confined to specific parts of the marketing chain. Traders often appear to provide a crucial service and they are often investing their capital in a high-risk environment where, arguably, returns should be commensurate with the risks involved. The positive contribution of both urban-based and rural-based traders in providing an essential service to urban consumers has not been adequately analysed.

The proposal for a scoping study was to allow us to make a preliminary exploration of the linkages between producers (urban, peri-urban and rural; formal and informal), traders and urban consumers, focusing on a specific sector where many of these issues can be explored in depth. The impetus for this study came, in part, from DFID livelihoods office Nigeria's strong interest in seeing the development of a research programme focused on how food markets can be made to work better for the poor. Zambia provides an important comparative perspective. In Zambia although there has been substantial research on both rural and urban agriculture, a major research gap exists regarding the marketing of most foods with the exception of maize.

Through the scoping study our objective has been to:

- Confirm the nature of the support for a full programme of research from a wide range of governmental agencies, practitioners and the private sector in each country.
- Select appropriate locations for a more extensive and intensive programme of further research and fine tune our proposal.

- Identify appropriate members for a Consultative Group which would advise, support and aid an ongoing dissemination programme in that larger study.
- Make preliminary investigations in case-study markets to identify key local issues that would be studied in depth in the main research programme.

2. SUMMARY OF THE WORK CARRIED OUT

Work for this short 8 month scoping project was carried out in the following phases:

- July 2003- December 2003:
 - Desk literature review: preparation of preliminary draft
 - Preparation for stakeholder meetings
 - Final selection of case study markets for field research (Jos, Nigeria; Lusaka, Zambia)
 - Field studies in the Lusaka region, Zambia
- January 2004:
 - Field studies in the Jos region, Nigeria
 - Consultations in Nigeria with government agencies, trader organisations etc. and DFID
 - Stakeholder meeting in Abuja
- February/March 2004:
 - Field studies continued in the Lusaka region
 - Consultations in Zambia with government agencies, trader organisations etc. and DFID
 - Stakeholder meeting in Lusaka
 - Preparation of Nigeria field report
- March-May 2004
 - Preparation of Zambia field report
 - Review meeting of UK collaborators to plan final phase of work
 - Completion of final draft of literature review
 - Preparation and submission of small proposals to DFID Abuja for Nigeria-specific work required urgently (notably on conflict and markets)
 - Preparation towards a full proposal to DFID KAR to take this comparative Nigeria-Zambia study forward
 - Final scoping review report writing

3. RESULTS OF FINDINGS

3.1 The literature review

The literature review (which is presented as a separate report) enabled us to identify some of the broad but key questions which need to be asked in sub-Saharan Africa, and which we could begin to address, albeit in partial and summary form, in our scoping case studies. These questions are used below as the framework for our discussion of results from the pilot field studies.

The literature review illustrated that our knowledge of the private trader component of urban food supply is rather stronger for Nigeria than for Zambia. But even in Nigeria, despite the presence of much detailed, if slightly outdated, empirical information on rural trade (much of which was conducted prior to the 1990s), there is clearly a shortage of specific knowledge and understanding of formal and informal market institutions and their impact on urban food systems today. This is lacking not just in Nigeria but across sub-Saharan Africa. Urban food supply is widely viewed by donors, government agencies, practitioners and academics in both Nigeria and Zambia as a major issue of concern requiring detailed research in a number of focal areas.

3.2 Key informant interviews and workshops

Our individual interviews with key policy makers, practitioners and academics in Lusaka and Abuja, and the workshops in which many subsequently participated, were important in allowing us to put our pilot research studies into their broader national settings and to elicit the extent of interest in urban food supply issues and the extent of commitment to involvement in further studies. Our findings on this section of the work have been presented as two separate country reports.

3.3 The pilot field studies

The tentative broad conclusions we have drawn below for two urban regions are based on our discussions with traders, farmers and consumers in the urban and peri-urban markets where we undertook field studies, and with policy makers, practitioners, the private sector and academics in Jos, Abuja and Lusaka. Additionally we draw on our individual and joint prior experience based on intensive field research in both countries. Nonetheless, it must be emphasised that both field visits were short and simply provide a guide to the potential significance of questions posed by our literature review. *They cannot be taken as a full and accurate representation of local conditions, or as representative of conditions more broadly in the countries concerned.* Some detail is provided in the following sections because information from the two pilot studies has not been discussed in previous reports.

3.3.1 Some tentative broad conclusions from the Jos pilot:

- Marketing bottlenecks are commonly location and commodity specific.
- Transport bottlenecks are pervasive. They slow down and increase costs across the whole marketing system.
- Commission agents will continue to play an essential role in marketing until/unless alternative means of providing timely credit and inputs are available.
- Market interactions can both create and resolve conflict.

- Governance issues (insecurity, corruption, rent seeking, etc.) are a pervasive theme and encompass misdemeanours in both private and public sectors. The role of the police as predators has wide ranging impact.
- Poor urban and rural consumers have little voice in shaping and regulating the market environment
- Real improvements are unlikely to be achieved without a concerted effort from government, NGOs, academics and the private sector working together.

3.3.2 Some tentative broad conclusions from the Lusaka pilot:

- Very poor rural roads combined with very low population densities prevent a majority of rural smallholders from benefiting from food trading
- There are vast geographical gaps in coverage of the country by private traders following liberalisation of food (maize) trading
- The government's recent agricultural policy, the Agricultural Commercialisation Programme (ACP), will have a strong influence on trader-producer relationships and thus the urban food market system.
- Current policies and programmes aimed at helping smallholder food trading are almost exclusively focussed on the line-of-rail and some other very restricted geographical areas where access is cheapest.
- Informal controls far outweigh formal controls in urban food system functioning.
- Party political involvement and levies in urban market places have a significant control on the functioning of and access to urban markets.
- The nutrition of the urban poor is a serious and increasing problem, thought to be due mainly to lack of purchasing power rather than lack of available food
- Trading agents in wholesale markets play an important role in the urban food marketing system. They provide credit and security but also constrain market access and contribute risk.
- Activities of the Food Reserve Agency (FRA) are concerning large formal traders through fears of unpredictable FRA intervention activities distorting urban food markets and increasing trader risk.

3.3.3 Detailed information from the scoping studies

More detailed results of our findings from the scoping study are presented in the following format:

- Questions on specific topics identified through the literature review (which is available in full in the form of a substantial separate document).
- Conclusions from the scoping study in Nigeria
- Conclusions from the scoping study in Zambia

3.3.3.1 Key questions on commodity chains/networks

- How do individual commodity chains work through from rural, peri-urban and urban producers to urban consumers?
- What are the implications for the livelihoods of the urban and rural poor?

We decided that chain/network analysis could prove helpful in our scoping case studies, by utilising the approach for a selected commodity per case study location, in

order to identify many of the factors (both constraints and facilitating factors) which influence broader urban food supply patterns. This would allow us to identify sequences of relationships along which food moves through urban provisioning systems and to emphasise gradations of power and patterns of regulation evident at key links in the chain of connections (Bernstein 1995, Love 2001.) Our aim at the same time was to avoid the narrow economic view which is often characteristic of commodity chain studies, and to give full recognition to the social implications (Rammohan and Sundaresan 2003).

Preliminary findings from Nigeria

In the Jos region we focussed on the vegetable chain, because of our extensive prior experience of research in this commodity. Producers and traders along the chain rely substantially on personal networks to get their often highly perishable produce to the final consumer. Much produce is passed through local commission agents (dillali) in Jos markets, but in some cases local producers use landlord agents in southern cities with whom they may reside while their produce is sold and who also travel to producer villages round Jos when they have a shortfall in supply (Porter et al. 2003). These various personal networks which depend on trust are built up over years and often involve the supply of credit and other inputs to producers on the one hand, and consignment of goods on trust from producers to traders on the other.

The survey in Jos created an opportunity to examine the impact of conflict on market chains by making a comparison with work carried out by the project team in 2001. The most important conclusion which emerged from our research in 2004 was that, despite the scale of the 2001 ethno-religious disturbances, the market network in perishable vegetables had been rapidly reconstructed because it was so crucial to both rural and urban livelihoods. There was evidence that traders were once again providing advance capital to farmers and farmers were once again sending their produce to distant markets on trust through traders. As prior to the crisis, trader-farmer interactions were in many cases across religious ethnic groups (e.g.– Birom Christian producers - Hausa Moslem traders – Ibo Christian traders).

Preliminary findings from Zambia

The fieldwork in Lusaka (as in Jos, Nieria) focussed on the vegetables supply chain. Some recent studies on agricultural marketing in Zambia include consideration of vegetable and other food commodities which come from large-scale commercial farmers and/or small-scale outgrowers and travel along formal networks to supermarkets. However, while the role of supermarkets and formal networks needs to be taken into account in Zambian urban food supplies, and is essential when considering the main staple food, maize (mealie-meal), our scoping study found that very few of the urban poor accessed these chains for any other foods, including vegetables.

The main food commodity networks, besides maize, of significance to our study, are those which are routed through urban markets. These are the primarily council-run and cooperative-run wholesale and retail markets found throughout the urban network. In the wholesale markets producers and intermediary traders sell on via sales agents to small, mostly informal, retailers.

Preliminary inquiries around trader networks suggest there are links between sales agents in, for example, the major Soweto wholesale market. Occasionally this can involve credit arrangements. A minority of transactions between farmers and small scale traders are undertaken direct (not involving Soweto market), but are discouraged by sales agents and market authorities. The small farmers' suggest intermediary traders are price-takers; they find it hard to negotiate as they are ignorant of the real costs that the latter claim determine prices offered (ie transport costs, processing if relevant, sales agent commissions, etc). They argue that exploitation by intermediary traders is common.

3.3.3.2 Key questions on trader roles (with special reference to gender and ethnicity)

- How are current marketing patterns gendered in Nigeria and Zambia? To what extent does this gendering impact on formal and informal institutions? What are the implications for gendered livelihoods?
- How does ethnicity shape current marketing patterns? Can excessive ethno-domination be mediated/regulated by formal and informal institutions?
- What roles are private traders currently playing in the urban food supply system (especially with reference to Zambia where we have limited information)? What institutions and types of regulation shape their activities?

Preliminary findings from Nigeria

Gender:

On the Jos Plateau the vegetable marketing chain continues to be dominated both at the producer stage and at its upper and more lucrative trading levels by men. However, our interviews with peri-urban producers in 2004 emphasised the important opportunity which such farming presents not just to male farmers and traders but also to poor urban women, who appear to have developed a substantial retail trade and some wholesale trade in vegetables. They go out to the peri-urban farms to purchase vegetable and sell them on to retailers or hawk them themselves around the city: their numbers are said by both farmers and traders to have increased substantially over the last few years. Women retailers also buy from wholesalers in Jos. One may hypothesise that during and just after the crisis it was safer for women to trade than men, and that since the crisis they have built on the knowledge gained. However, this requires further research. The destruction of Jos Terminus market during the crisis raised major problems for women retailers who had previously traded there.

The problems women farmers and traders face in the Jos region do not seem markedly different from those faced elsewhere in West Africa (see the literature review.) Recent concern about the position of women across the region has led to the establishment of national Ministries for Women. However, the Nigerian Federal Ministry (like many of its counterparts in other countries) is under-funded and weak. Not surprisingly, it appears to have had no discernible impact on the Plateau.

Ethnicity:

This is a major issue in the Jos vegetable trade. In the 1980s and 1990s, Hausa temporary migrants and resident former miners produced vegetables on land rented from indigenous Plateau peoples such as the Birom. Hausa at that time were also the main vegetable traders. By 2001 we found the Hausa were increasingly being

excluded from access to land (except as labourers) as the ability of Birom to produce irrigated vegetable improved (Porter et al. 2003). Birom were also becoming more involved in vegetable trading. The subsequent crisis in part reflected religio-ethnic tensions on the Plateau over access to irrigated land. Despite the remarkably rapid recovery of the Jos vegetable trade since 2001, the role of ethnicity in shaping trading patterns remains a major issue. Here and elsewhere in Nigeria the linkages between ethnicity and trading relationships (and the creation and resolution of conflict) need further examination.

Commission agents are probably the most significant and most contentious actors in the Jos vegetable chain. They are required to register in the market in which they operate and form powerful associations. The dillalis in Jos vegetable markets are mostly Hausa, but in southern markets landlord dillalis may also be from southern ethnic groups. They sell on commission for northerners who stay with them, communicating with them in English or Hausa, then negotiating sales in Ibo or other southern languages. Interpretation is clearly an important role here, as it is for *yan ajawuta* who interpret into Ibo and Yoruba in Jos markets for visiting southern traders.

The role of the dillali in controlling market access is often bemoaned by large vegetable producers. Small producers have no access to formal credit or bank loans and so depend on dillali for credit and inputs. Consequently, they do not greatly resent the subsequent requirement to sell produce through them.

Preliminary findings from Zambia

Gender:

Our preliminary research suggests that it is largely women who travel within Lusaka to Soweto to buy wholesale vegetables to re-sell back in their local, urban markets. The size of the informal marketing sector for all commodities, including foods, has increased dramatically in urban Zambia, not least due to family pressures of coping with HIV-AIDS. Food trade, and particularly vegetable vending, is a very common income-generating strategy for women. Entry is relatively easy and cheap, but the profitability is also generally very low. Evidence obtained from interviewing marketeers in the suburbs of Lusaka during this scoping project ascertained typical daily profits in the region of K10,000 per day (between £1 to £2 per day) for typically a 14 – 16 hr day.

Men dominate the wholesale vegetable trading in Lusaka. All sales agents are reportedly male, the majority of retailers in Soweto are also male. The farmers who bring their produce to Soweto Market for sale through the sales agents are roughly an equal number of men and women. Most of the traders that buy from the sales agents for resale in retail markets are women. ZamCabs (the wheel barrow bearers who for a small fee will carry produce around the market and beyond) are all male and mostly young boys. All drivers seen bringing produce to market were men. Farmers and intermediary traders bringing produce into urban centres by truck and illegally and opportunistically selling it from the back of the truck on street corners were almost all men. Research on the risks and entitlements of women-headed HIV/AIDS-related households who use informal urban food marketing as a coping strategy, and on other

gender-based livelihood security and livelihood sustainability issues, would be valuable.

Ethnicity:

Ethnicity is not mentioned as a significant issue in any of the literature on agricultural production and marketing in Zambia, and the available evidence from this scoping study is that it does not represent an issue in food marketing in Zambia at all.

3.3.3.3 Key questions on pricing

- To what extent does price setting among trader groups occur in the case study markets?
- What are the consequences for individual producer and trader types and for urban consumers?

Preliminary findings from Nigeria

There is substantial concern across Nigeria about the problems farmers experience in achieving fair prices (though our personal experience suggests that traders in the perishable vegetable trade often charge only a fair rate to cover extreme risk). Programmes like Oxfam's current market access project are likely to be popular with policy makers for whom traders – whether operating fairly or unfairly - are often an easy scapegoat. Oxfam are trying to work with small agricultural producers to help them organise themselves to negotiate fair prices in four crops: rice, yam, maize and vegetables. Their three focus states include Plateau State, but an interview with the local partner NGO, COWAN, indicated that the project had only just started there.

The study shows that price fixing is only possible in particular markets and at particular times of the year and often for relatively short periods. Data from Jos urban and peri-urban markets in 2001 indicated that it was only in Jos Building Materials market that price setting and supply control seemed to operate. Therefore, any intervention needs to understand where these conditions arise, and the extent to which their negative impact on poorer farmers and traders outweighs their positive impact.

Preliminary findings from Zambia

Observations made during this scoping phase research indicated that prices for vegetables in Lusaka's wholesale Soweto were highly volatile, not only changing daily and varying widely, minute by minute, during the day as well. Some producers assume they are being cheated on price by sales agents but it was also suggested by one informant (a senior Ministry of Agriculture official and also a farmer), that some small farmers do not always understand the extent to which prices fluctuate according to market mechanisms and that, for example, bringing in produce very early (ie before 0500 hours) might bring better prices.

In retail markets little volatility or variation in retail prices of foodstuffs was noticed either from day to day or during a day. It seems to be standard practice amongst small-scale retailers in suburban markets (and amongst illegal street traders) that on days when produce is obtained less expensively or throughput is slow, a larger amount of produce is included in the bundle sold at standard unit price, and vice-versa on days when the wholesale purchase price of the produce is higher or when

throughput is brisk. Many marketeers reported having a staple flow of ‘customers’, with whom they have established a rapport over time, e.g. through family links, or consistent and reliable provision of good quality produce and service. Sometime these relationships facilitate credit in times of need, either from marketeer to customer or from customer to marketeer. Little formal research has been undertaken into these issues regarding constraints and potential for best practice, in particular how food markets can be made to work better for the poor, and means of facilitating this.

3.3.3.4 Key questions on control of market space

- To what extent and in what ways is access to market space controlled in the case study markets?
- What are the consequences for individual trader and producer-trader types?
- Who is currently excluded and with what consequences?
- To what extent does central and local government currently regulate access to market space? With what consequences?

Preliminary findings from Nigeria

Market space in Jos markets is highly controlled by a range of actors, notably market associations, Local Governments (Jos North and Jos South), the state government and the commission agents. In some Jos markets there are no spaces left for new traders.

Public sector power to allocate market space can increase or reduce market opportunities. The overall allocation of space in the city to markets is controlled by Jos Metropolitan Development Board. At the time of our scoping study the JMDB was hoping to relocate all central markets and lorry parks to the outskirts of the city to ‘decongest the centre’. The burning of Terminus market had necessitated relocation of traders and was clearly encouraging the JMDB to rethink their market location strategy.

The two Local Governments are keen to keep control of market space because of the revenue opportunities it provides. They will thus stop private markets where they can, and are keen to prevent the state government operating markets. (Across Nigeria the state governments have established their own high profile markets: in Jos the Terminus Market, burned down during the crisis, was a state market.) One major tomato market, Mararaba Foron, is owned by a private individual but LG officials still collect taxes there. The market authorities reportedly stood out here against attacks on Hausa/Moslem traders after the crisis.

The LGs allocate spaces to traders within their own markets and charge weekly fees. They report those who sell illegally outside their markets to the police. The produce associations collaborate with the LGs to collect outstanding revenue. In markets where there are no stalls the market associations allocate spaces each market day. Consequently, they have substantial power, since a trader’s position in the market can strongly influence her/his daily profit.

Preliminary findings from Zambia

Official market spaces are highly controlled as in Nigeria, but in Lusaka in all markets (council- and co-operative run) the ruling party (the MMD) is an unofficial key player. All the council-run markets have a Market Advisory Committee (MAC) with

elected market traders and council representatives, which negotiates levies with the Council. Stallholders also pay party levies (whether traders must have party membership is unclear). The party apparently helps settle disputes and provides security. The latter is often inadequate so marketers sometimes pay jointly for extra security (against night thefts). MMD officials argue that they mediate between the 'people' and the 'management' to bring a 'humanitarian touch'. Markets appear to be an important source of party funds and control. Soweto respondents suggested the MMD allocated stalls, not the Council.

Many marketeers in retail markets sell illegally in the 'corridors' (i.e. the tracks between stalls and along pavements, etc). They are in constant fear of being raided by council officials. This is reportedly one reason why small-scale retailers limit the amount of produce they purchase for resale. Their labour and transaction costs are thus particularly high per unit sale.

Hawkers Licences (for selling outside fixed market areas) are only available for non-perishable goods and so any selling of perishable foods outside the market areas is illegal although widely practiced. Many illegal peripheral 'corridor' traders remain, despite the hazards they face, either because politically or otherwise they are actively excluded from gaining access to formal market space, or because peripheral 'corridor' trading areas are far more accessible and thus attract more customers than those deep in the market.

3.3.3.5 Key questions on market information

- What are the principal channels of information currently used by traders of different types in case study centres?
- How important are personal networks for information gathering?
- Are there specific information brokers? If so, how do they operate?
- How much use is made of government information outlets?
- What are trader perceptions of government information channels?
- If these were improved would they be used more? If so, how could they be improved?
- To what extent are mobile telephones used along different components of the marketing chain? What are the barriers? What is the future potential?

Preliminary findings from Nigeria

Personal relations play a crucial role in sharing market information throughout the vegetable chain on the Jos Plateau. No evidence was found of farmers or traders in the Jos region relying on government information outlets though there have been attempts by government to provide produce information.

Vegetable farmers, particularly Hausa farmers, may visit the Jos markets to get a feel for prices, but many farmers, both Hausa and Birom, seem to depend entirely on their individual dillalis (commission agents) for price information. Even a major supplier to southern markets with his own producers uses the dillalis for information.

In conducting the lucrative but volatile vegetable trade to Kano and the southern Nigerian cities, mobile phones now play a crucial role (see literature review). This has actually enhanced the significance of personal relations since it is vital to have personal connections to phone. Many dealers in Building Materials market phone regularly to contacts in Lagos for price information. One dealer supplying southern markets provides all his staff in Lagos with cell phones. He is in constant touch regarding delivery details. The perishability of produce in the vegetable sector may be a key factor in encouraging innovation among larger-scale dealers. There is currently one (expatriate) vegetable farmer who has an online mail order service and supplies vegetables to establishments in Abuja.

For small-scale producers and traders, the advances in communication reportedly have yet to have much impact. Small-scale producer-traders say they travel south with their produce sometimes without any knowledge of prices in southern markets. The mobile network does not yet cover villages outside Jos though there are GSM call offices in some markets. Nonetheless, this situation may well change rapidly.

Preliminary findings from Zambia

The situation in Zambia for smallholders appears very different to that in Nigeria. Personal relations do not seem to be key for information provision (although it is key for security as discussed above) and many smallholders evidently feel very vulnerable to sharp trading practices because of their lack of knowledge about prices and pricing. In Zambia both small scale farmers and traders suggested that radio is a very efficient way of disseminating information. Mobile phones do not yet play a role at this level.

In the key maize sector, there are various different estimations of maize supply (eg FAO and MACO) and these need to be reconciled to improve the quality of market signals. A 2004 study by FEWSNET (Famine Early Warning System Network) has been disseminated widely and contains sound recommendations in this respect.

The largest -scale producers, who are very important for an array of food commodities (although not maize), are apparently already well served by their own commodity-focused organizations and direct links with buyers. The difference between their mode of production and the smallholders is illustrated by their preference for information via email or fax and their particular interest in international information (eg Argentinian prices).

3.3.3.6 Key questions re standardisation of weights and measures

- What types of weights/measurement are currently prevalent among different trader groups in the case study locations?
- What government legislation re weights and measurement is currently in place?
- To what extent is it enforced and with what consequences?
- How do different types of traders perceive the weights/measurement issue? How do regulators perceive it?

Preliminary findings from Nigeria

Lack of weights and measures standards is a major problem in the vegetable trade and clearly increases transaction costs. The Local Governments generally do not have sufficient supplies of standard measures to provide to traders and thus enable them to enforce their use. Some have none: 'we have no standard measures so we cannot enforce [it]' (interview, revenue officer, Jos South LG office). According to LG staff, complaints about use of unfair measures have to be made to the trader association, not the local government. The trader associations reportedly help LG staff ensure that the standard mudu is used where available. The revenue office in Jos North said they check yearly: 'you know what it is with these women. We seize theirs and replace them with our own and warn them'. But further discussion suggested this has not been done for some time: there had been no standard mudu measures available for at least two years.

The NGO COCIN reports that urban traders go out with their own (larger than normal) measures into rural areas and cheat rural women. As an offshoot of their Democracy and Governance programme they are trying to get women to come together, fix their prices and only accept a Local Government measure 'with writing on it'.

Only the very large-scale dealers in southern markets seem to grade their produce, and this is only into two basic classes.

Preliminary findings from Zambia

The Zambian Bureau of Standards theoretically sets and enforces agricultural standards, but currently appears inactive in this respect. There is very little standardisation of weights and measures; traders often have to check the bags offered by re-measuring the commodity out into the 'tins' so ubiquitous in the region. Maize is now sold in international 50kg bags (rather than the old regional standard 90kg bags). A USAID-funded report by Michigan State University (Giovannucci et al 2001) suggests that a number of highly important domestic food crops, including millet, sorghum, cabbages, sweet potatoes and cassava, do not yet have sufficiently developed markets to benefit from improved grades and standards because trade in these products is informal and mostly local.

Results from the small consumer survey conducted during this scoping project in Lusaka indicated clearly that most consumers (66% of respondents) feel that they are often cheated by the tin measures. The tins (eg old floor polish tins) may be compressed, still contain some polish to reduce their capacity, or contain a false bottom etc. Judgment of relative capacities by eye is very difficult due to the varying shapes, denting etc. This can advantage retail marketeers. Retail marketeers who buy from wholesale sales agents in Soweto Market referred to the need to be vigilant since some sales agents use a range of devious means to reduce the capacity of bags and boxes whilst maintaining their apparent size. This was considered a significant problem by sales agents, traders and consumers alike.

3.3.3.7 Key questions on youth vigilante groups:

- How prevalent are urban vigilante youth groups in the study locations?
- What do they do?

- In what ways and to what extent do they improve or hinder food supply to the urban poor?
- In what ways and to what extent do their activities impinge on producers, specific trader groups and other stakeholders?

Preliminary findings from Nigeria

Sustainable market operations require a secure environment for both farmers and market traders. Crop theft is a growing problem in Nigeria, though it was not reported as a major issue in our farmer interviews. In urban markets theft is potentially a serious problem, although the Area Boys which operate in southern Nigeria (see literature review) are not found here.

In Jos South LG markets, the LG itself pays for police or civil defence security but nightwatches are paid by the market association. In Jos North the LG provides security in the form of ex-servicemen whom they employ directly, though there are also police outposts in all markets.

In Jos city, informal policing has become crucial for the safe operation of markets: vigilante groups play an extremely important role. These groups, known as *yan banga* patrol in pairs or groups. The *yan banga* are apparently provided with funds as an NGO by the LG from the LG security vote, but their work in market security seems to be paid by the traders themselves. The *yan banga* reportedly do an effective job (at Farin Gada neither the market association leaders nor the leader of the *yan banga* could recall a serious theft in the last year). They work in conjunction with the police. Poorer retailers appear to be less protected than other trader groups.

Preliminary findings from Zambia

In Zambia market security appears to be by no means as great a problem as it is in Nigeria. Some problems from vigilantes protecting established and powerful people's rights were alluded to, as well as theft (both of produce and of customers), prostitution, drugs and other activities of illegal trade. All markets have their own police post.

The role of the MMD party office present in each market in sorting disputes in the market place has been discussed above. Agents and marketeers made it clear that they also police themselves, using mob law against those who try to unlawfully or 'unfairly' disrupt their activities. A definite pecking order of seniority appears to exist amongst each job type within the market place (both wholesale and retail markets), seemingly based on years of experience in the position. This appears to give some a position of authority over others.

3.3.3.8 Key questions on credit provision

- What credit provision is available to key trader types along the urban food supply chain?
- What proportion at each level comes from formal as opposed to informal sources?
- What interest rates are applied?

- To what extent have microfinance schemes assisted in credit provision among the various trader groups?
- Can credit provision be improved? How?

Preliminary findings from Nigeria

Dependence on informal finance in the Jos region allows resilience and encourages economic growth. Small-scale vegetable farmers are highly dependent on commission agents (*dillali*), who provide not just finance, but also fertiliser and other inputs which are often beyond the financial means of small farmers at the beginning of the farming season, and may be simply unavailable at times in Jos even if farmers have funds. The commission agents are likely to continue to play a vital role in vegetable marketing so long as alternative means of providing timely credit and inputs are unavailable to small farmers. Large farmers view the commission agents much less favourably because they do not need credit, but are unable to sell directly to traders because commission agents control the market space.

There have been a few NGO initiatives in recent years in micro-credit in this region. COWAN, a national women's membership NGO (and local partner of Oxfam's market access project which is just starting) has been offering micro-credit since 1990 and has over 400 groups (mostly indigenes) on the Plateau. Before the 2003 crisis, loan recovery rate was reportedly 97% but many women lost their goods and groups disbanded following the crisis. The most common use of the loans is trading followed by dry season farming. They have recently developed a loan for the 'poorest of the poor' and another specifically focussed on poor urban market women. In all these schemes, if women succeed in repayment at one level they are allowed to move to a higher level of lending. These schemes would appear to offer women a useful facility: in 2001 lack of access to credit seemed to be a major impediment to women's irrigation farming and trade. However, we would need to interview beneficiaries to assess the effectiveness of the scheme.

Preliminary findings from Zambia

There is an absence of successful formal credit provision to small-scale producers and traders in Zambia as in Nigeria. The scoping study found that sales agents in Soweto Market are likely to give credit to the farmers who supply them. Agents establish a relationship with a set of farmers that they then support with loans to buy fertiliser and other inputs. They may also give occasional credit to marketeers in times of hardship (for example, if a marketer has had produce confiscated due to illegal trading, as described above in the section on access to market space). Marketeers may occasionally give credit to consumers during times of temporary hardship.

Due to the lack of successful formal credit provision that appears to typify Zambia, and the very significant rates of serious poverty in Zambia (both related to and unrelated to the very high levels of HIV/AIDS throughout the country), combined with a naturally very variable, highly seasonal climate, and a high dependence on rainfed agriculture, these informal means of credit provision appear essential to providing some means of security and sustainability to these otherwise very precarious but essential livelihoods, upon which a sustainable urban food system depends.

3.3.3.9 Key transport questions

- How is the existing transport system organised to bring food supplies to urban case study centres?
- Who else may be able to provide transport but is not allowed access at present?
- What are the regulations and institutions (formal and informal) regulating access to fuel?
- What are the regulations and institutions (formal and informal) regulating access to routes and lorry parks?

Preliminary findings from Nigeria

Transport is widely recognised as a major constraint on improved market access for farmers across Nigeria and a major component of the food prices paid by urban consumers. Access to fuel is a particularly sensitive issue.

Transport services are now good round Jos because the returns from irrigated farming have allowed villagers to purchase vehicles and patronise motorbike taxi services. (There seems little need for special programmes to introduce Intermediate Means of Transport as these have already spread spontaneously.) However, transport from rural areas to Jos and other cities faces major hazards. Police, VIO and road safety officials, and Local Government revenue officers each have their check points where drivers must pay a 'dash' if they don't (or even do) have the correct particulars. If they fail to stop their headlights may be smashed or their tyres slashed. A journey which should take one hour 30 minutes takes 2 hours because there will have been 4 to 6 stops on the way. Almost every driver we interviewed had harrowing stories of highway robbery.

The drivers who work for dealers or owners in the markets obtain their jobs by personal recommendation. The National Union of Road Transport Workers also seems to operate a closed shop. All drivers at the motor parks have to be registered with the union. However, the role of the Union in settling disputes (especially where these involve the police) and helping drivers with hospital fees etc. must be acknowledged.

Even portage is highly regulated: drivers in one market, for instance, can only unload vehicles themselves at night when the *yan saukali* are off duty. The potato saukali have their own union. Each loader has to find his own customers but prices are set by the union.

Preliminary findings from Zambia

Zambia's rural feeder road system is extremely poor. Large-scale private traders apparently cannot afford to operate in any meaningful way in large parts of the countryside arguably because the costs are too high for them to make a profit. These transport and accessibility issues have enormous significance for small-scale rural food producers' incomes and livelihoods. However, there is little evidence that this matters greatly for urban food availability. Large-scale commercial suppliers supplemented by the smallholders with reasonable access are easily able to supply Zambia's urban food markets with most food commodities in a liberalised situation.

Transport issues affecting food supplies are much simpler than in Nigeria (although they are highly intractable). The unionization of lorry drivers is not an issue. Transport and porter/trader interactions in markets are far less regulated. Fuel is widely available, although high fuel taxes add to costs (taxation in 2002 accounted for approximately 70% of the pump price).

Fortunately the banditry on the roads that occurs in Nigeria is not a feature of Zambia. There are levies on certain roads by police, councils etc, and many of these are probably illicit. One private transporter, supplying refrigerated food from South Africa etc. to supermarkets in Zambia, reported giving drivers the amount estimated necessary to get through the road blocks on any route: the drivers keep whatever they avoid handing over. The subject requires further research but it appears that illegal 'levies' and associated attacks on vehicles are on a much smaller scale than in Nigeria.

Within the city, transport costs for retail sellers are a major issue. One woman vegetable seller in Chunga market, Lusaka, suggested that on a good selling day, 90% of her gross profits is required to cover the day's transport costs. The burden of transport costs is heavier for those who live in lower-income areas further from Soweto Market, and for the illegal traders who risk having their produce confiscated and thus purchase in small quantities only.

3.3.3.10 Key questions on consumption

- What are the buying patterns of different types of consumers?
- Where do poorer consumers buy their food ?
- What types of food do poorer consumers buy?
- What are the restrictions on poorer consumers in accessing lower-priced or better quality food?
- What progress have supermarket operations made in Nigeria and Zambia and what is likely to be their impact on consumers over the next decade?

Preliminary findings from Nigeria

The responsibility for nutritional issues in Nigeria appears to be spread across a range of federal ministries: the Department of Rural Development, the Ministry of Health, the Ministry of Education, with coordination by the National Commission on Food and Nutrition. Food safety comes under the remit of the Nigerian National Standards Organisation. This spread of interest may not be advantageous for maintaining food quality and overseeing nutritional issues: it is an issue worth further examination.

Our small urban consumer survey and related interviews with street food sellers conducted in the Jos area were inadequate in sample size to draw sound conclusions, but they indicate the following:

- That there is an acute sense of food insecurity among Jos's urban population. The NGO COWAN reports that with economic decline following the crisis, many families have cut the number of meals per day. They observe that the dietary balance is generally quite good, however, because of the range of local foods available fairly cheaply. Our Jos collaborators confirmed that the increase in

number of hawkers selling cheap vegetables and fruit seems to have made them more readily available to urban consumers.

- Nonetheless, despite food availability, people in Jos face food *access* problems.
- Cooked food sellers are used by all classes of urban consumer in Jos, men and women, and may provide more nutritious meals (including meat etc.) than food served in the home.
- The wholesomeness of food is taken for granted in Jos (and probably elsewhere in Nigeria, though this needs research.)

Preliminary findings from Zambia

Zambia's Food and Nutrition Commission has a major responsibility for nutritional issues but is reportedly currently too under-funded to function effectively. A very important source of research and information on urban incomes specifically related to basic food needs is the Lusaka-based Jesuit College for Theological Reflection.

Our small urban consumer survey in Lusaka and related interviews (like those for Jos) can only be used as indicative of issues due to the small sample size. Significant issues include:

- There is serious food insecurity among Lusaka's low-income population due to lack of income.
- Two-thirds of the low-income respondents in the survey only eat two meals a day; a further 11% only eat one.
- In Lusaka, unlike Nigeria, all low income respondents almost exclusively eat at home; 'street food' or restaurants plays virtually no role in their diets.
- No-one indicated that a lack of, or the range of, food in markets was an issue - ability to pay was the key issue.
- People often buy their food in local markets because transport costs prevent them from accessing cheaper produce elsewhere (eg Soweto market)
- Unlike Nigeria, three quarters of those interviewed (both low and middle income groups combined) have concerns about the wholesomeness of local food - about a third have suffered from food poisoning and about half had made related complaints.
- By far the most frequently eaten elements of urban poor diets are maize, tomatoes and rape.
- Cassava production has grown significantly in Zambia. However as yet it is still relatively unimportant in the diets of Lusaka's poor.
- Beans are probably the main source of protein for the urban poor. Almost two-thirds eat them more than once a week.

3.3.3.11 Key questions on food safety regulation:

- Which government regulations in place in case study locations to protect consumers currently have any real impact on food safety?
- Which regulations in place are enforced? Which are not enforced? Why not?
- How can enforcement of regulations be improved? (including trader and government perceptions)

Preliminary findings from Nigeria

The two Jos Local Governments have a number of departments which, in theory, deal with food safety: there are reportedly LG health officers in the markets, and the LG Council Sanitation Team which invites food dealers for seminars and issues certificates of attendance. Additionally, the JMDB has a public health department. However, the basic services which would enable traders to keep their food and premises clean and in good condition are commonly absent: clean water, lavatories, effective sanitation and drainage, refuse disposal, cold storage. Jos North LG proudly boasts that it is the only LG in the state to have a refuse disposal van used for emptying and cleaning its lavatories

JMDB similarly has only three lorries for rubbish collection (it had 36 in the mid-80s) and waste collection responsibility is due to be moved to the Plateau Environmental Protection and Sanitation Agency. JMDB carries out food inspection, but reports difficulty in tracking down mobile food sellers and is beset with staffing and other resource problems (4 staff are employed now, compared to over 20 in 1984). Budgetary support which had been promised to the department in 2003 to support 40 staff has failed to arrive. They do not take food samples or test water, but inspect general cleanliness, sometimes insisting on fumigation (for which they charge N2000). It is reportedly very rare for consumers to complain about food adulteration and they are not aware of any consumer association operating in the state (JMDB deputy director for environmental health.)

Preliminary findings from Zambia

Health inspection units within urban councils in Zambia are theoretically responsible for monitoring the quality of produce traded within the city. Markets are supposed to be visited daily. However, Lusaka currently has only nine health inspectors. Sensibly, therefore, they tend to focus on fresh meat outlets.

The sanitary conditions in Lusaka markets are extremely poor, especially in Soweto. The Council is meant to clean the markets using its levies. Generally toilets in the markets are privately owned and people have to pay to use them. An NGO had provided toilets in one market in George compound.

Under a major EU-funded market project, in which various urban markets are being upgraded, legislation related to health and safety issues has been reviewed. Recommendations have been made to strengthen relevant legislation including a new obligation for markets to have adequate refuse collection. However, obligations without funding are unlikely to be effective - the fundamental issue of the use of traders' levies is, as explained above, highly political. The EU project recommended ending political levies but this has not been implemented.

There are potential health dangers associated with the consumption of vegetables produced in urban areas. This issue is currently under investigation in Zambia's urban areas by another DFID-sponsored project led by Tanya Bowyer-Bower (R8160).

Zambian consumers do appear to be concerned about food safety with three-quarters of those surveyed for the scoping study having experienced some problems, mainly with food poisoning. Most knew that some fresh produce might be contaminated with

chemicals and that it was important to wash such foods, although a few misconceptions were apparent. However, 30% were unaware about possible chemical contamination.

3.3.3.12 Key questions on consumer associations:

- What consumer groups are operating in the case study locations?
- How do they operate and what do they do?
- What political representation is there for poorer consumers?
- Is there potential to increase their voice?

Preliminary findings from Nigeria

Poor urban and rural consumers have little voice in shaping and regulating the market environment. There is no evidence of consumer associations, although some NGOs do aim to take on these roles. Consumer activism is in evidence, although only for specific issues such as petrol prices and adulteration of bread. The consumer protests on petrol prices is organised by Trade Unions representing self employed people such as taxi drivers and transporters.

Preliminary findings from Zambia

The Consumer Unity and Trust Society reportedly has a research centre in Zambia. Many of the respondents in the small survey who had food safety concerns had complained to the trader concerned. One had complained to the Consumer Association of Zambia but it is unclear how effective this organization is.

3.3.3.13 Key questions on central and local government roles:

- What is the current pattern and level of central and local government involvement in urban food supply, marketing regulation and facilitation in the case study locations?
- Is it sustainable?
- Is there potential to increase their involvement? In which areas?
- Is there need to reduce their involvement (i.e. reduce excessive regulation)?

Preliminary findings from Nigeria

Public sector power to allocate market space, as discussed above, can increase or reduce market opportunities. Short-term emphasis on revenue collection undermines trader confidence in local government. In Jos markets difficulties are compounded by the fact that the LG staff for Jos South LG who collect market taxes have not been paid for 15 months.

Preliminary findings from Zambia

Both the central government (i.e. the ruling party) and local government (as City or Town Councils) are central to the running of markets in Zambia as discussed above. It is clear that the councils are very short of resources to fulfil their obligations in the markets. In this sense their position is unsustainable. If they were to receive all the market levies, instead of significant amounts going to the ruling party, this should help. Even so, the sheer poverty of most marketeers appears to have led to a de facto reduction in the theoretical levy level; this is a serious constraint.

The EU-funded market project has suggested a raft of strengthened legislation and powers in the markets to enforce compliance by traders and the Councils of the theoretical standards and hygiene provisions. However, without sufficient numbers of reasonably motivated and paid staff this is unlikely to have much impact.

3.3.3.14 Key questions on NGO involvement:

- What is the current pattern and level of NGO involvement in case study locations?
- Is it sustainable in the long-term without large-scale subsidy?
- Is there potential to improve NGO/Local government collaboration?

Preliminary findings from Nigeria

NGOs expansion is now occurring rapidly in Nigeria. We interviewed two NGOs operating on the Plateau, COWAN and COCIN. There appears to be promotion of NGO activities by the Plateau State Government which has established a Government NGO relations office. We concluded that NGOs need to look beyond micro-finance to an entrepreneurship support agenda.

Preliminary findings from Zambia

There are many NGOs operating in rural Zambia in food production (eg CARE, CLUSA, PAM). They mainly focus on food security for farmers. CLUSA is more market-oriented. They now focus on linking smallholders farmers along the line-of-rail with markets, concentrating on specific commodities in particular areas. These are not necessarily domestic foods however: current commodities include chilis and sesame seed. CARE did try a season of targeting marketing in the Copperbelt by linking smallholder producers with buyers via selected rural-based agents. Their experience was that buyers held out on farmers and then paid them low prices when they were desperate, which tallies with the complaints made by a number of informants within Zambia, including a representative from Zambian Women in Agriculture at our workshop.

AFRICARE and CLUSA are the main operating agencies for the government's SHEMP project which specifically focuses on commercialising small holder farmers and runs from 2000-2007. The project's target over its whole duration is to reach out to 1200 groups of around 15-20 farmers and to link them to out-grower schemes and market intermediaries. The NGOs facilitate their registration as co-operatives. In December 2003 there were 500 groups involved. As is generally the case in Zambia, the geographical focus is mostly along the line-of-rail and selected areas of high productivity and high marketing activity. It is not clear how much of the related produce will enter urban food supply chains.

A key NGO within Lusaka is the Jesuit College for Theological Reflection which publishes a regular bulletin on the cost of purchasing an urban basic needs 'basket' for an average-sized urban household (see the section on consumption above). This is highly political information which is well used by urban civil society movements.

3.3.3.15 Key questions on the role of traditional authorities:

- What is the current pattern and level of involvement of traditional authorities in marketing regulation and facilitation in the case study locations?
- Is it sustainable?
- Is there potential to increase their involvement? In which areas?

Preliminary findings from Nigeria

Traditional authorities appear, on the surface, to play little role in Jos market regulation and facilitation, unless land is required for a new market (when the JMDB will need to negotiate with them). However, each market has a market leader, the *sarkin kasuwa*, who is expected to maintain peace and order in the market. The *sarkin kasuwa* is selected through the traditional head of the community, but the appointment must be approved by the Local Government. There are apparently sometimes clashes and a power tussle with the LG may ensue.

Preliminary findings from Zambia

There is little role in Lusaka markets for traditional authorities as the land was alienated from them during the colonial period. It is not known if traditional authorities play any role in smaller urban centres where customary tenure land is found closer to the urban borders.

3.3.3.16 Key questions around legislation:

- What are the laws and regulations (see table above for a checklist)
- How do they affect (positively or negatively) different groups (in particular urban and rural poor)
- How are these enforced (examples if known)?
- What restrictions are there on enforcing this law?
- What compliance costs?
- How do people get around it?

Preliminary findings from Nigeria

There is a considerable amount of legislation relevant to the food systems in Nigeria although its relevance to poorer producers, consumers and traders is very limited. No cases of formal contracts were found amongst the smaller traders. All were reliant on verbal agreements and personalised trust-based relationships. There was also very little evidence of the use of formal property rights as a means of securing loans and the enforcement of regulations. Legislation concerning tax collection was adhered to closely, particularly by local authorities, which generate a large proportion of their income from markets.

Enforcement of legislation requires the active involvement of the police. Respondents reported that they try to resolve any disputes without going to police, if possible, due to the additional costs they are then expected to pay. In many cases legislation (such as quality standards for vehicles) is used for rent seeking with no enforcement of quality.

Those involved in the food trade have, therefore, developed a range of alternative forms of governance that create legislation and enforce it. The most common are the wide range of trader and other business associations that create employment for security personnel and have their own judiciary system. While the benefits of these

systems can be seen in the fact that they allow trade to continue, the costs of them in terms of exclusion, discrimination and abuse of power are not known.

Preliminary findings from Zambia

There are many weaknesses, overlaps, contradictions and gaps in the provisos of the numerous legislative Acts and many different institutions with overlapping responsibilities which affect urban market operations. For example market stalls were legislated for in the Trades Licensing Act but it would be better to have all market licensing falling under the Markets Act. These issues were reviewed by the EU markets project discussed above and new draft legislation was produced and independently reviewed in 2000. Which of these new measures have been implemented, and how they have affected food marketers, requires investigation. It is known that the proviso to end political levies has not been implemented. A proviso to bring levies in line with 'current economic trends' is hard to judge, given that it could mean that levies should fall to reflect marketeers' poverty (as noted above, the theoretical level is not charged currently) or rise to reflect the Council's management needs.

It is evident that many of the bye-laws and provisos are not enforced currently, but then neither are the legal obligations of the Council. The illegal 'corridor' sellers are fairly regularly targeted and their produce confiscated if they do not run away with it quickly enough. The legal proviso is that this produce is forfeited and the review wished to clarify that the goods become the property of the local authority.

There is also overlap in the co-operative run markets as they fall both under the Co-operatives Act and the Markets Act.

3.3.3.17 Key questions on the broader policy environment:

- To what extent does the current PRSP/IFI intervention take urban food supplies issues into account?
- What are the implications of the PRSP/IFI intervention for urban food supply?

Preliminary findings from Nigeria

Much of the broader policy environment in the food sector in Nigeria has considered producers with very little discussion of the role of traders. This may be due to the negative connotations many policy makers associate with traders and other market intermediaries. In particular there is considerable attention to fertiliser subsidy systems and the promotion of larger scale farming. The extent to which these policies will support poorer producers and consumers is not known, although respondents in the Jos region were not optimistic about the benefits reaching those that are not connected to political elites.

Preliminary findings from Zambia

The liberalization of agricultural marketing in Zambia has transformed the rural economy (see literature review). In net terms agricultural production has fallen, and several of the gainers are not food commodities. Maize, the country's staple and by far the most important element of the diet of the urban poor, has fared worst. Its

production was previously subsidised by various government interventions including fertiliser subsidies and pan-territorial pricing. Some food crops have strengthened, particularly cassava. Though maize production has fallen, there is also now surplus maize produced by smallholders which is not finding its way to market, mainly due to transportation costs.

IFI intervention has also meant the end of outright maize subsidies so that maize prices for consumers (rural and urban) have soared. Thus, both poor maize producers and poor maize consumers have endured negative livelihood impacts caused by structural adjustment. In direct opposition to IFI policies, the government has continued to intervene in the maize market, however. There is strong tension between those who believe this is unnecessary and that the private sector would ensure sufficient, timely imports etc. in times of shortage to prevent sudden leaps in consumer prices and those who do not. Government policy is implemented through the Food Reserve Agency. The Food Security Research Project of Michigan State University, funded by USAID, is a significant proponent of the alternative viewpoint. This is a complex and highly politicised issue with extremely important ramifications for urban food supply and people's livelihoods.

With regard to other urban food supply chains, there was far less, if any, government intervention before liberalisation. Consequently, the impact appears to have been less. The most significant issue is that real urban incomes have fallen substantially as a result of structural adjustment programmes. Demand, rather than supply, is now the key constraint.

3.3.3.18 Key questions on alternatives to traditional intermediaries/ forms of supply to urban markets:

- To what extent do the alternatives to traditional intermediaries (contract farming, coops, etc.) play a role in urban food supply in case study locations?
- In particular, what progress have supermarket operations made in Nigeria and Zambia and what is likely to be their impact on producers, conventional traders and procurement patterns over the next decade?
- What are local attitudes to these various institutions?
- Is there a potentially larger role for any of these alternatives in urban food supply (given that the volume of food items the marketing system will need to handle over the next 20 years will be substantially larger - possibly double - current volumes)?

Preliminary findings from Nigeria

Major supermarket chains are beginning to make inroads once more in Nigeria (see literature review) but so far as Jos is concerned they are absent. The old department store cum supermarkets - Kingsway, Challarams, Leventis - closed in the 1980s, and although there are now many private retailer supermarket outlets these tend to be individual small-scale enterprises.

Preliminary findings from Zambia

Supermarkets in Zambia are important for the upper middle income classes' food purchases, but not for the poor or even professionals such as teachers and nurses except for mealie-meal purchases (which are very important). There is evidence from the scoping survey that the major South African supermarket, Shoprite, is buying more local, fresh produce than it used to: a positive sign. Agriflora, which markets fresh produce mainly for export, supplies local supermarkets with vegetables which have not met the export grade. However, one farming co-operative suggested that it does not have a sympathetic approach to smallholders: this may limit its potential as a marketing route for the rural poor.

Shoprite also owns Freshmark which buys fresh produce for Shoprite supermarkets throughout Zambia, and also markets to restaurants etc. In late 2003 Shoprite bought from 39 farms (or co-operatives) in Zambia with which they have established relationships. Occasionally they also buy from those who turn up with produce at their door. They insist on high quality. Products which cannot be easily sourced in Zambia are brought in from South Africa. One co-operative near Lusaka has managed to enter this commodity chain and is pleased with prices and the relationship generally. It might seem that there is potential for further development of smallholders supplying Freshmark, but Shoprite's strategy appears to be instead to further reduce the number of farmers (to about 25) with which they deal, to obtain economies of scale. Some small farmers also sell directly, by turning up unannounced with produce, to other supermarkets (eg the two Greek-run supermarkets), and to farmers' markets aiming at high income consumers. This is a very limited aspect of the overall urban food supplies, the future potential of which is expected to remain limited.

3.4 Conclusion

Our literature review, the individual interviews, the workshops and the small field pilot in Jos and Lusaka all helped illustrate the way a wide range of organisations and institutions are used both to enforce regulations and to create new opportunities. These can range from illegally based organisations through to formal and less formal organisations and relationships, and even norms and customs. The comparative work was particularly valuable because it helped us to identify distinguishing features in both Nigeria and Zambia.

The table below sets out a simplified framework for classifying these types of organisation (while recognising that formal and informal categories may overlap). We aim to utilise this framework when we move forward into a second, more detailed phase of research on urban food supply issues.

Formal	Informal	Cultural Norms
National Government	Traditional authorities	Customs and trading practice
Local Government	Trade Associations	Reciprocity
Parastatals	Community groups/CBOs	'Rules of the game'
NGOs	Community membership	
Unions	Trust based relationships	
Large-scale private sector firms	Youth vigilante groups	
Co-operatives		
Consumer groups		
Legal systems		

4. IMPLICATIONS OF THE RESULTS FOR THE OBJECTIVES OF THE PROJECT

As discussed in section 1, we identified four key objectives of the project. We discuss each of these in turn below.

4.1 Confirm the nature of the support for a full programme of research from a wide range of governmental agencies, practitioners and the private sector in each country.

Implications of the results for this objective:

Our Abuja and Lusaka stakeholder workshops, which included policy makers, academics, NGOs, donors, and the private sector, were particularly important in allowing us to assess the extent of support for a full programme of research. Both confirmed a very high degree of interest and concern about urban food supply issues. Specific areas where research is needed were identified with the stakeholders.

Our discussions with individual stakeholders together with the workshop discussions enabled us to identify **specific issues** related to food markets where there is a severe lack of empirical evidence in **Nigeria** on which policy makers and those advising them can base their decisions. These topics include the following:

1. Understanding transport markets: efficiency of transport markets and means to improved market access;
2. Understanding credit markets: credit availability among different producer and food trader types and implications of middleman credit supply
3. Understanding urban food markets: how can such markets best supply the urban poor consumer with good quality food at affordable prices
4. Understanding how to support and facilitate entrepreneurship that contributes to local economies and improves urban food supply.
5. Understanding the role of inter-ethnic trade and market interaction in conflict initiation and development and in conflict resolution
6. Understanding the role of markets and trade in spread of STDs (notably HIV/AIDS) and the potential role of traders, transporters and market institutions in supporting HIV/AIDS programmes
7. Understanding current informal market information systems and how market institutions can contribute to improved systems
8. Understanding individual market chains/networks, notably the perishable vegetable chain (whose smooth working is essential to the health of urban populations)
9. Understanding the informal regulatory climate which governs markets, market access and trade: vigilantes, trader and transport associations/unions etc. - and gauging the potential for improvement
10. Understanding the linkages between different markets – transport markets, credit markets, labour markets, food markets.
11. Understanding the role of private sector associations and organisations in lobbying for policy change and greater accountability.

Our consultations indicate an urgent identified need for input on these topics into ongoing programmes within DFID (*Propcom, Drivers of Change/conflict resolution, development of Ekiti access project, ProFin S*); the World Bank (*Fadama II, RTTP*); IFDC (*Market information*) and the ministries (notably transport – *RTTP*-related).

Specific information gaps or issues which are insufficiently understood that have been identified from the individual interviews with stakeholders and the workshop discussions in **Zambia** related to food marketing and poor producers and consumers include:

1. A severe lack of empirical evidence on all non-maize food production for the market and marketing arrangements for that produce.
2. Credit arrangements for non-maize food marketing.
3. The potential role of decentralised markets.
4. The views of smallholders on how to support entrepreneurship and food marketing.
5. The views of small traders on how to support entrepreneurship and food marketing.
6. The views of poor urban consumers on the main constraints and problems (beyond price) in urban food supplies.
7. How to improve the informal regulatory climate which governs markets, access to them, and trade.
8. How to improve transport efficiency and accessibility for food marketing.

4.2 Select appropriate locations for a more extensive and intensive programme of further research and fine tune our proposal.

Implications of the results for this objective:

The literature review, field studies, stakeholder interviews and workshops allowed us to identify appropriate locations for a programme of further research and to fine tune our proposal.

In Nigeria it is clear that regional diversity is so substantial that it will be important to undertake research in around at least 6 different city regions, in order to adequately gauge the impact of local context (including socio-cultural and physical conditions) on urban food supply issues. At the Abuja workshop there was substantial interest among federal government staff and academics in developing a research network on food marketing which could be used as a basis for building a collaborative research group for these regional studies.

In Zambia the studies identified need for further research in Lusaka, but also in the copper belt and selected smaller towns across the country.

4.3 Identify appropriate members for a Consultative Group which would advise, support and aid an ongoing dissemination programme in that larger study.

Implications of the results for this objective:

Our workshop discussions were particularly valuable in identifying appropriate members for a Consultative Group in each country to advise, support and aid an ongoing dissemination programme in the proposed larger study. In both countries the Consultative Group would include a mix of central government staff, NGOs, the private sector and academics. We have already received formal letters from the Nigerian Federal Ministry of Agriculture's Department of Rural Development and Oxfam in Nigeria, and from the Zambian Ministry of Local Government and the NGO Africare in Zambia expressing their interest in participating in such a group.

4.4 Make preliminary investigations in case-study markets to identify key local issues that would be studied in depth in the main research programme.

Implications of the results for this objective:

Our investigations in the case-study markets in Jos, Nigeria and Lusaka, Zambia have been extremely helpful in identifying key local issues that would be studied in depth in the main research programme. These issues are both numerous and diverse, as section 3.3 indicates.

In Jos key issues include:

- Marketing bottlenecks (bearing in mind that these are often locations and commodity specific)
- Transport bottlenecks (which are pervasive, slowing down and increasing costs across the whole marketing system)
- The role of Commission Agents. Can alternative means of providing timely credit and inputs be found?
- The role of market interactions in both creating and resolving conflict.
- Governance issues (insecurity, corruption, rent seeking, etc.) and their resolution in a marketing context.
- The need to increase the voice of poor urban and rural consumers in shaping and regulating the market environment

In Lusaka key issues include:

- The nature of non-maize food commodity chains which are generally little understood e.g. vegetables, cassava and beans.
- The role of sales agents. This is completely new ground in Lusaka and far more information on the extent of their credit provision etc. is needed.
- The exact nature of transport provisions for food supplies to the market.
- The progress of the market project funded by the EU and its legislative recommendations. Have any of these been implemented and to what effect?

- The exact role of small 'magaiwa' millers in the maize food chain as this has been identified by the FSRP as a cheap form of mealie-meal
- Governance issues (party levies, corruption) and their resolution
- The need to increase the voice of poor urban and rural producers and consumers in shaping and regulating the market environment
- The nature of food supply chains in other centres beyond Lusaka

5. PRIORITY TASKS FOR FOLLOW-UP

1. This project was a scoping study. Sustained longitudinal studies in diverse regional contexts in each country will be needed if the issues we have identified are to be adequately addressed. Consequently, submission of a full proposal to DFID KAR for a three-year country-wide comparative study of urban food supply issues in Nigeria and Zambia is the priority task for follow-up. The full proposal will be submitted once we receive permission to proceed from KAR.

2. The literature review will be disseminated, as agreed, to all our workshop participants in Abuja and Lusaka and to others in Nigeria, Zambia and UK who have requested it.

